

## ORDINANCE NO. \_\_\_\_\_

1 AN ORDINANCE amending Sections 2.76.150 and 2.76.160 of the Lincoln Municipal  
2 Code to remove the requirement that pay increases for exceptional service be approved by the  
3 Mayor and to provide that the Director of Personnel annually send written reports to the Mayor listing  
4 employees approved for exceptional service pay increases; and repealing Sections 2.76.150 and  
5 2.76.160 of the Lincoln Municipal Code as hitherto existing.

6 BE IT ORDAINED by the City Council of the City of Lincoln, Nebraska:

7 Section 1. That Section 2.76.150 of the Lincoln Municipal Code be amended to read  
8 as follows:

9 **2.76.150 Compensation Plan; Merit Pay Plan; Pay Increases for Exceptional Service.**

10 Additional pay increases to recognize exceptional service may also be granted by awarding  
11 a one- or two-step increase which may be authorized for periods of six, twelve, eighteen, or twenty-  
12 four pay periods and will automatically terminate on the expiration of the authorized time unless  
13 renewed by the same procedure as is required for original approval. For an employee being paid  
14 at the maximum rate of his pay range, a temporary exceptional service increase may be granted.  
15 Such pay increase shall not exceed two percent of the employee's current annualized salary, or  
16 \$300.00, whichever is greater, to be paid in two, four, or six pay periods. Increases for exceptional  
17 service shall be paid only on recommendation of the department head supported by a convincing  
18 showing in writing of exceptional service as related to specific criteria to be recommended by each  
19 department applicable to its own work and approved by the Director of Personnel ~~for~~  
20 ~~recommendation to and approval by the Mayor.~~ This section applies only to ranges prefixed by "N",  
21 "X", "F", or "P".

1           The Director of Personnel shall annually send a written report to the Mayor listing employees  
2 approved for exceptional service pay increases.

3           Section 2. That Section 2.76.160 of the Lincoln Municipal Code be amended to read  
4 as follows:

5       **2.76.160       Compensation Plan; Variable Merit Pay Plan.**

6           Notwithstanding any other section of the Lincoln Municipal Code to the contrary, the com-  
7 pensation plan for employees in classifications with pay ranges prefixed by the letters "A", "C", "E",  
8 and "M" shall provide for the awarding of merit increases within established pay ranges based upon  
9 the employee's level of performance and shall be entitled "the variable merit pay plan." The specific  
10 method of implementing and administering this plan shall be set out in an executive order of the  
11 Mayor which shall, among other things, provide for:

12           (a)     Variable merit increases of between zero and six percent. Merit increases shall be  
13 effective beginning the first full pay period following the established eligibility date;

14           (b)     A three percent increase upon successful completion of the original probationary  
15 period;

16           (c)     For employees in pay ranges prefixed by the letters "A", "C", "E", or "M", temporary  
17 exceptional service awards not to exceed two percent of the employee's current annualized salary  
18 or \$300.00, whichever is greater, to be paid in two, four, or six pay periods;

19           Such increases shall be paid only on recommendation of the department head  
20 supported by a convincing showing in writing of exceptional service or unusual circumstances as  
21 related to specific criteria to be recommended by each department and approved by the Director  
22 of Personnel for recommendation and approval by the Mayor;

23           The Director of Personnel shall annually send a written report to the Mayor listing employees  
24 approved for exceptional service pay increases.

1           (d)     The eligibility date for evaluating performance of employees will be determined by  
2 completion of the original probationary period, and the effective date of promotion, demotion,  
3 reallocation, or layoff;

4           Employees in pay ranges prefixed by the letter "M" may have their eligibility dates  
5 adjusted when necessary or appropriate for proper operation of any goal-oriented employee  
6 evaluation program implemented by any department. The department head shall forward a written  
7 request for such an adjustment to the Director who may, at his discretion, approve the request. The  
8 eligibility date of an employee shall not be adjusted under this subsection more often than once in  
9 any twelve-month period;

10          (e)     Establishment of a committee to review and approve all merit increases in excess  
11 of five percent.

12           Section 3. That Sections 2.76.150 and 2.76.160 of the Lincoln Municipal Code as  
13 hitherto existing be and the same are hereby repealed.

14           Section 4. That this ordinance shall take effect and be in force from and after its  
15 passage and publication according to law.

Introduced by:

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Approved as to Form & Legality:

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City Attorney

Staff Review Completed:

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Administrative Assistant